

Returning IDEA Funds to DPI to meet MOE prior to year end closing

An LEA may choose to return IDEA funds to DPI prior to the year end closing and recode previously funded grant activities with local funds in order to meet IDEA's maintenance of effort compliance requirement. ***This option is only available to LEAs that contact DPI prior to September 30, 2014 by e-mail or through this [form](#) with the intent of returning FY 2014 IDEA funds.***

These are the steps that must be taken when IDEA funds from the previous fiscal year are returned *after* September 30, 2014:

- 1) Follow the instructions sent by DPI to return IDEA funds.
- 2) Contact Erin Fath (erin.fath@dpi.wi.gov) to have the LEA's PI-1506-AC opened so the LEA's auditor can make necessary adjustments.
- 3) The LEA must make the necessary adjustments to the PI-1505 annual and PI 1505-SE reports (the LEA does have an extra step of un-submitting the SE report).

These reports are available to make changes at any time. Until these changes are made, the LEA's IDEA Maintenance of Effort report does not reflect the return of IDEA funds.

- 4) Once the IDEA funds are returned to DPI, the LEA will be contacted regarding amending the FY 2014 IDEA claim. The returned amount will be added to the LEA's FY 2015 IDEA carryover.

Recording the entries for the return of IDEA funds after year end

Entries in 2013-14 to reflect return of IDEA funds after year end

DR - Expense to project 011 or 019

CR - Expense to project 340

Reverse expenditure to the grant and move to aidable or non-aidable project

Two options for reversal of revenue and accrue the payment back to DPI

1. If a district has a receivable in function 715500-Due from State Government that is at least the amount of the return, the district can offset the receivable by the amount of the return.

DR - Revenue to source 730

CR - Function 715500 - Due from State Government

Reverse the revenue and reduce the year end receivable from the State by the amount of the return. This option will prevent the Aid Payment Reconciliation Error on the SAFR Full Annual report.

OR

2. If a district does NOT have a receivable in function 715500-Due from State Government that is at least the amount of the return, the district must record a liability in the amount of the return.

DR - Revenue to source 730

CR - Function 813500 - Due to State Government

Reverse the revenue and add liability to the State by the amount of the return. This option will trigger an Aid Payment Reconciliation Error on the SAFR Full Annual report. If the district has this error because of the return of IDEA funds to DPI, contact a school finance auditor to waive the error.

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Entry in 2014-15 for payment of the return of IDEA funds

DR - Function 813500 or 715500, depending on how above accrual was recorded

CR - Cash

Payment of the return of IDEA funds to DPI for 2013-14 grant claims

Equalization Aid Adjustments

The adjustment to Equalization Aid amounts will be made in June 2015.

Below you will find the specifics from the School Financial Services website:

<http://www.dpi.state.wi.us/sfs/equalaid.html>

“By October 15 of each year, Equalization Aids for the current fiscal year are computed with the most accurate data available from the prior fiscal year Annual Report, September and January Membership Reports, and equalized property valuations as certified by the Wisconsin Department of Revenue for the prior calendar year. Resulting aid amounts, modified by the prior year final aid eligibility adjustments, are paid to districts during the current fiscal year.

In June, final current year aid eligibility is computed using audited district information. Differences in computed aid amounts between October and June become the final aid eligibility adjustments and are applied to the September payment in the following fiscal year.”

Last Updated: 07/11/2014

Document Location: <http://sped.dpi.wi.gov/files/sped/pdf/moe-return-grant-funds.pdf>